L. A. BILL No. LV OF 2026.

A BILL

further to amend the Maharashtra Money-Lending (Regulation) Act, 2014.

Mah. VIII of 2014.

WHEREAS it is expedient further to amend the Maharashtra Money-Lending (Regulation) Act, 2014, for the purposes hereinafter appearing; it is hereby enacted in the Seventy-seventh Year of the Republic of India as follows :—

Short title.

1. This Act may be called the Maharashtra Money-Lending (Regulation) (Amendment) Act, 2026.

(G.C.P.) HB 839–1 (1,040–7-2026)

Amendment of section 39 of Mah. VIII of 2014.

2. In section 39 of the Maharashtra Money-Lending (Regulation) Act, 2014 (hereinafter referred to as "the principal Act"),— Mah. VIII of 2014.

(*1*) for the words "five years", the words "seven years" shall be substituted;

(*2*) for the words "fifty thousand rupees", the words "one lakh rupees" shall be substituted.

Amendment of section 41 of Mah. VIII of 2014.

3. In section 41 of the principal Act, in clause (*c*),—

(*1*) in sub-clause (*i*),—

(*a*) for the words "one year", the words "three years" shall be substituted;

(*b*) for the words "rupees fifteen thousand", the words "fifty thousand rupees" shall be substituted;

(*2*) in sub-clause (*ii*),-

(*a*) for the words "five years", the words "seven years" shall be substituted;

(*b*) for the words "rupees fifty thousand", the words "one lakh rupees" shall be substituted.

Amendment of section 45 of Mah. VIII of 2014.

4. In section 45 of the principal Act,—

(*1*) for the words "two years", the words "three years" shall be substituted;

(*2*) for the words "five thousand rupees", the words "one lakh rupees" shall be substituted.

STATEMENT OF OBJECTS AND REASONS

The Maharashtra Money-Lending (Regulation) Act, 2014 (Mah. VIII of 2014) is enacted to take appropriate and stringent social and legal measures to effectively prevent the harassment to the farmers-debtors at the hands of the money-lenders and for the regulation and control of transactions of money-lending in the State of Maharashtra.

2. Sections 39, 41 and 45 of the said Act provides punishment for persons who, carries on the business of money-lending without obtaining a valid licence, obtains licence under fictitious name, carries on money lending at a place not mentioned in licence and molests, or abets the molestation of a debtor for the recovery of a debt due by him to money-lender.

However, inspite of existing penal provisions under the said Act, certain individuals and entities continue to repeatedly engage in illegal money-lending activities. Such repeated violations adversely affect the interests of borrower, weaken the regulatory framework and undermine the deterrent effect of the law.

3. Therefore, to curb the recurring illegal money-lending activities, to protect borrowers from exploitation and to ensure greater accountability of repeated offenders and to strengthen effective implementation of the said Act, the Government considers it expedient to enhance the punishments by amending sections 39, 41 and 45 of the said Act, suitably.

4. The Bill seeks to achieve the above objectives.

Mumbai, BABASAHEB PATIL,
dated the 6th July, 2026. Minister for Co-operation.

ANNEXURE TO THE L.A. BILL NO. LV OF 2026—

THE MAHARASHTRA MONEY-LENDING (REGULATION) (AMENDMENT) BILL, 2026.

(Extracts from the Maharashtra Money-Lending (Regulation) Act, 2014)

(Mah . VIII of 2014)

1. to **38.** * * * *

39. Whoever carries on the business of money-lending without obtaining a valid licence, shall, on conviction, be punished with imprisonment of either description for a term which may extend to five years or with fine which may extend to fifty thousand rupees or with both. Penalty for doing money lending without valid licence.

40. * * * *

41. Whoever,— Obtaining licence under fictitious name, carrying on money lending at a place not mentioned in licence, etc.

(*a*) and (b) * * * *

(*c*) enters into any agreement in the course of business of money lending without a valid licence, or under a licence obtained in the name which is not his true name, shall, on conviction, be punished,—

(*i*) for the first offence, with imprisonment of either description which may extend to one year or with fine which may extend to rupees fifteen thousand or with both, and

(*ii*) for the second and subsequent offence, in addition to or in lieu of, the penalty specified in clause (i), with imprisonment of either description which shall not be less than five years, where such person is not a company, and with fine which shall not be less than rupees fifty thousand, where such person is a company.

42. to **44.** * * * *

45. Whoever molests, or abets the molestation, of a debtor for the recovery of a debt due by him to money-lender shall, on conviction, be punished with imprisonment of either description which may extend to two years or with fine which may extend to five thousand rupees, or with both : Penalty for molestation.

Provided that, a person who goes to such house or place in order merely to obtain or communicate information shall not be deemed to have molested for the purposes of this section.

Explanation.—For the purposes of this section, a person who, with intent to cause another person to abstain from doing any act which he has a right to do or to do any act which he has a right to abstain from doing,—

(*a*) obstructs or uses violence to or intimidates such other person, or

(*b*) persistently follows such other person from place to place or interferes with any property owned, or used by him or deprives him of, or hinders him in, the use thereof, or

(*c*) loiters near a house or other place where such other person resides or works, or carries on business, or happens to be, or does any act calculated to annoy or intimidate such other person,

shall be deemed to molest such other person.

46. to **55.** * * * *

MAHARASHTRA LEGISLATURE SECRETARIAT

[L. A. BILL No. LV OF 2026.]

[A Bill further to amend the Maharashtra Money-Lending (Regulation) Act, 2014.]

[SHRI BABASAHEB PATIL,
Minister for Co-operation.]

JITENDRA BHOLE,
Secretary-1,
Maharashtra Legislative Assembly.

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